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U.S. DISTRICT COURT
NORTHERN DISTRICT OF ALABAMA

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:

MEADOWCRAFT, INC.,

Debtor.

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Case No. 02-02-06910

**DEBTOR'S MOTION FOR EXTENSION OF TIME
TO FILE SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS**

Meadowcraft, Inc., debtor and debtor-in-possession (the "Debtor"), pursuant to 11 U.S.C. § 105 and Rules 1007 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") moves the Court to grant the Debtor an extension of time to file the Schedules and Statement of Financial Affairs required by Bankruptcy Rule 1007, as follows:

BACKGROUND

1. On September 3, 2002 (the "Filing Date"), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101, et seq. (the "Bankruptcy Code").

2. The Debtor is operating its business and managing its affairs as debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee, committee or examiner has been appointed in the Debtor's bankruptcy case.

3. The Debtor is a privately-owned corporation organized and existing under the laws of the state of Delaware with its principal place of business in Birmingham, Alabama.

4. The Debtor is the leading domestic producer of casual outdoor furniture and is the largest manufacturer of outdoor wrought iron furniture in the world. The Debtor designs,

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manufactures and distributes a variety of wrought iron consumer products, including outdoor and indoor furniture and accessories, and outdoor cushions and umbrellas, which it markets to mass merchandisers and specialty stores primarily in the United States. The Debtor believes that it has established a reputation as an innovator in the design, manufacturing, distribution and marketing of moderately priced, quality wrought iron furniture.

5. The Debtor offers consumers a wide variety of products across different price points in three markets: the outdoor mass market under the Plantation Patterns brand name; the outdoor specialty market under the Meadowcraft, Arlington House, and Salterini brand names; and the indoor mass markets under the Home Collection from Plantation Patterns brand name.

6. The Debtor during peak production periods employs over 1,700 people, and presently employs over 1,200 people in the state of Alabama. The Debtor owns manufacturing facilities in Birmingham, Jefferson County, Alabama, Wadley, Randolph County, Alabama, and Selma, Dallas County, Alabama. The Debtor recently closed its manufacturing and distribution operations in Yuma, Arizona and Mexico.

7. The Debtor generated net sales of approximately \$123 million in fiscal year ending July 31, 2001. The Debtor suffered net operating losses of approximately \$46 million in fiscal year 2001. The Debtor estimates net sales of \$108 million in fiscal year ending July 31, 2002. Sales for fiscal year 2002 are lower than desired primarily as a result of the loss of approximately \$15 million in sales from two of the Debtor's large mass merchandise accounts, Service Merchandise and K-Mart, due to these companies' bankruptcy proceedings. Additionally, the Debtor's specialty market sales were \$5 million less than anticipated due to a down market for the industry. The Debtor projects operating losses of \$1 million and net losses of \$8 million to \$10 million in fiscal year 2002.

8. The Debtor's poor financial performance in fiscal year 2001 is attributable to numerous factors. These factors include: (1) difficulties with the installation of and conversion to new computer hardware and software systems; (2) substantial excess manufacturing capacity; (3) the manufacturing of product with low profit margins in an attempt to reduce costs associated with excess capacity; (4) reduced sales due to competition from China; and (5) reduced sales due to some mass merchandise customers being over stocked with product from China.

9. The Debtor's financial performance in fiscal year 2002 has substantially improved as a result of strong management and implementation of more stringent financial controls. In March, 2001, the Debtor retained Marcus A. Watson of Finley Colmer & Company to assist the Debtor in its financial turnaround. Mr. Watson presently serves as President of the Debtor. Under Mr. Watson's guidance, the following financial improvements have been made: (1) general and administrative expenses have been reduced by over \$3 million; (2) manufacturing margins have improved from five percent (5%) to seventeen percent (17%); (3) product inventory has been reduced by \$14 million; (4) obsolete inventory in the amount of \$6 million has been sold; and (5) much of the excess manufacturing capacity has been eliminated through the closing of the Yuma, Arizona and Mexico facilities.

10. The Debtor has approximately \$43 million in secured indebtedness. First, as of August 28, 2002, the Debtor owed approximately \$77,000.00 to a group of banks (the "Revolving Lenders") under its \$65 million working capital revolving loan facility. Second, the Debtor owes approximately \$43 million to a group of banks (the "Term Lenders") who made term loans to the Debtor. The Revolving Lenders and the Term Lenders (collectively, the "Secured Parties") claim a lien on essentially all of the Debtor's assets.

11. In addition, the Debtor estimates its general unsecured debt to be approximately \$24 million. Of the foregoing, approximately \$16 million is owed to approximately sixty-two (62) trade vendors pursuant to vendor notes issued in the summer of 2001. The Debtor also has additional unsecured indebtedness in the principal amount of \$6 million owed to Blount Family Irrevocable Trust, L.L.C. and in the principal amount of \$37.5 million owed to Samuel R. Blount, plus interest accrued on the foregoing obligations.

SUMMARY OF RELIEF REQUESTED

12. The Debtor seeks an extension to the time to file its Schedules and Statement of Financial Affairs required by Bankruptcy Rule 1007.

JURISDICTION AND NOTICE

13. The Debtor brings the motion pursuant to Section 105 of the Bankruptcy Code and Bankruptcy Rules 1007(a)(4) and 9006(b).

14. The Court has jurisdiction over the motion pursuant to 28 U.S.C. § 1334(b). The motion is a core proceeding under 28 U.S.C. § 157(b)(2).

15. No committee of unsecured creditors has been appointed in the Debtor's bankruptcy case. The Debtor has served a copy of the Motion on the 20 largest unsecured creditors, Bank of America, counsel for Bank of America, Cardinal Investment Fund, LLC ("Cardinal"), counsel for Cardinal, LaSalle Business Credit, Inc. ("LaSalle"), counsel for LaSalle, Congress

Financial Corporation ("Congress"), counsel for Congress, the Bankruptcy Administrator, and all parties requesting notice.

RELIEF REQUESTED

16. On the Filing Date, the Debtor filed with its voluntary petition a list containing the name and address of each creditor as required by Bankruptcy Rule 1007(a) and a list of the Debtor's 20 largest unsecured creditors as required by Bankruptcy Rule 1007(d). At this time, the Debtor has not filed the Schedules and Statement of Financial Affairs required by Bankruptcy Rule 1007(b)(1)(collectively, the "Schedules").

17. The Debtor has extensive operations involving numerous assets, liabilities, executory contracts and unexpired leases. The Debtor generated net sales of approximately \$123 million in fiscal year ending July 31, 2001. The Debtor has trade creditors holding claims in an aggregate amount of over \$24 million.

18. Due to the exigent nature of the filing and the nature of the Debtor's business, the Debtor will require additional time and effort to prepare the bankruptcy schedules required by Bankruptcy Rule 1007. Although the Debtor already has begun work on the Schedules and in good faith will continue to work diligently on the Schedules, the Debtor does not anticipate being able to complete the Schedules fully and accurately within the time required by Bankruptcy Rule 1007.

19. The Debtor's pre-petition efforts in preparing for its bankruptcy filing primarily have focused on obtaining debtor-in-possession financing, formulating a business plan and negotiating with key suppliers, customers and creditors. The Debtor's efforts in this regard have benefited the estate and all creditors, but have left the Debtor with insufficient time,

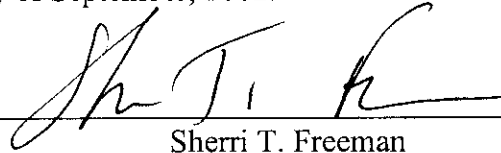
personnel and resources to compile the information and documentation required by Bankruptcy Rule 1007. The Debtor should not be penalized for its efforts to prepare for its bankruptcy by negotiating with key parties in interest. Therefore, the Debtor submits the Court should allow the Debtor additional time to comply with Bankruptcy Rule 1007.

20. Pursuant to Bankruptcy Rules 1007 and 9006(b), the Court may extend the time for the Debtor to file schedules for good cause shown. Based on the foregoing, the Debtor submits that the Court has cause to grant the Debtor an extension of time. An extension of two weeks beyond the time provided in Rule 1007(c) is necessary for the Debtor to file complete and accurate schedules. The extension of time requested is reasonable and will not prejudice any party in interest. Therefore, an extension is in the best interests of the Debtor, the Debtor's estate and creditors.

21. Nothing in this motion shall serve to limit or otherwise prohibit the Debtor from seeking further extensions, if necessary. The Debtor reserves all rights to seek further extensions, if necessary.

WHEREFORE, PREMISES CONSIDERED, pursuant to Bankruptcy Rules 1007 and 9006(b), the Debtor respectfully requests the Court to extend the time for the filing of the Debtor's bankruptcy schedules through and including October 2, 2002 and to provide such other, further, or different relief as may be just and proper.

Respectfully submitted this 31 day of September, 2002.

A handwritten signature in black ink, appearing to read "S. T. Freeman", is written over a horizontal line.

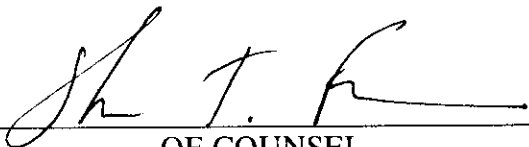
Sherri T. Freeman
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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing Debtor's Motion for Extension of Time to File Schedules and Statement of Financial Affairs on the parties listed on Exhibit 1 attached hereto by overnight mail (or as otherwise indicated), on this 3^d day of September, 2002.



OF COUNSEL

EXHIBIT 1 TO ALL FIRST DAY MOTIONS
GENERAL SERVICE LIST

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Attention: Gary Silvers
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Attention: Steven Fenton
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(Fax Contact: Joseph W. Blackburn, Esq.)
(Fax Number: 205-930-5101)

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(Fax Contact: Peter Blohm)
(Fax Number: 212-643-9698)

Bank of America Leasing
and Capital Group
2059 Northlake Pky., 4th Floor
Tucker, GA 30084
(Fax Number: 770-270-8603)

Ferrostaal, Inc.
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Houston, TX 77060
(Fax Contact: Matthias Lietsch)
(Fax Number: 281-878-0729)

Rusken Packaging, Inc.
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(Fax Contact: Greg Rusk)
(Fax Number: 256-775-0353)

Hanna Steel
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(Fax Contact: Phyllis T. Paramore)
(Fax Number: 205-783-8246)

PPG Industries, Inc.
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(Fax Contact: Bob Hamilton)
(Fax Number: 412-434-4491)

CWS Powder Coatings Co., L.P.
6 Ramapo Trail
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(Fax Contact: Jonathan Abrams)
(Fax Number: 914-835-4042)

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(Fax Contact: James Handley)
(Fax Number: 408-496-5049)

Cone Mills Corporation
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(Fax Contact: William Tonkin)
(Fax Number: 336-379-6949)

New Metals, Inc.
5823 Northgate, Suite 2032
Laredo, TX 78041-2697
(Fax Contact: Kevin Hamrick)
(Fax Number: 956-726-8190)

Sun Mart International Co., Ltd.
19 Musick
Irvine, CA 92618
(Fax Contact: Nick Wu)
(Fax Number: 949-770-8659)

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(Fax Number: 404-654-1063)

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(Fax Number: 864-574-9486)

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(Fax Number: 901-578-2614)

Maco, Inc.
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Purchase, NY 10577
(Fax Contact: Debbie Neiterman)
(Fax Number: 914-251-1656)

Hynes Industries
3760 Oakwood
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(Fax Contact: Tim Bresnahan)
(Fax Number: 330-797-8008)

Western Synthetic Fiber, Inc.
c/o Western Nonwovens, Inc.
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(Fax Contact: Jeff Matlin)
(Fax Number: 310-353-4275)

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(Fax Number: 212-889-3283)

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